

**DEPARTMENT OF THE TREASURY  
CUSTOMS SERVICE**

**QUARTERLY IRS INTEREST RATES USED IN CALCULATING  
INTEREST ON OVERDUE ACCOUNTS AND REFUNDS  
ON CUSTOMS DUTIES**

**AGENCY:** Customs Service, Treasury.

**ACTION:** General notice.

**SUMMARY:** This notice advises the public of the quarterly Internal Revenue Service interest rates used to calculate interest on overdue accounts (underpayments) and refunds (overpayments) of Customs duties. For the quarter beginning July 1, 2000, the interest rates for overpayments will be 8 percent for corporations and 9 percent for non-corporations, and the interest rate for underpayments will be 9 percent. This notice is published for the convenience of the importing public and Customs personnel.

**EFFECTIVE DATE:** July 1, 2000.

**FOR FURTHER INFORMATION CONTACT:** Ronald Wyman, Accounting Services Division, Accounts Receivable Group, 6026 Lakeside Boulevard, Indianapolis, Indiana 46278, (317) 298-1200, extension 1349.

## **SUPPLEMENTARY INFORMATION:**

### **BACKGROUND**

Pursuant to 19 U.S.C. 1505 and Treasury Decision 85-93, published in the **Federal Register** on May 29, 1985 (50 FR 21832), the interest rate paid on applicable overpayments or underpayments of Customs duties shall be in accordance with the Internal Revenue Code rate established under 26 U.S.C. 6621 and 6622. Section 6621 was amended (at paragraph (a)(1)(B) by the Internal Revenue Service Restructuring and Reform Act of 1998, Pub.L. 105-206, 112 Stat. 685) to provide different interest rates applicable to overpayments: one for corporations and one for non-corporations. The interest rate applicable to underpayments is not so bifurcated.

The interest rates are based on the short-term Federal rate and determined by the Internal Revenue Service (IRS) on behalf of the Secretary of the Treasury on a quarterly basis. The rates effective for a quarter are determined during the first-month period of the previous quarter.

In Revenue Ruling 2000-30 (see, 2000-25 IRB 1262, dated June 19, 2000), the IRS determined the rates of interest for the fourth quarter of fiscal year (FY) 2000 (the period of July 1 - September 30, 2000). The interest rate paid to the Treasury for underpayments will be the short-term Federal rate (6%) plus three percentage points (3%) for a total of nine percent (9%). For corporate overpayments, the rate is the Federal short-term rate (6%) plus two percentage points (2%) for a total of eight percent (8%). For overpayments made by non-

corporations, the rate is the Federal short-term rate (6%) plus three percentage points (3%) for a total of nine percent (9%). These interest rates are subject to change the first quarter of FY-2001 (the period of October 1 - December 31, 2000).

For the convenience of the importing public and Customs personnel the following list of IRS interest rates used, covering the period from before July of 1974 to date, to calculate interest on overdue accounts and refunds of Customs duties, is published in summary format.

<u>Beginning</u> <u>Date</u>	<u>Ending</u> <u>Date</u>	<u>Under-</u> <u>payments</u> (percent)	<u>Over-</u> <u>payments</u> (percent)	<u>Corporate</u> <u>Overpay-</u> <u>ments</u> (Eff. 1-1-99) (percent)
Prior to				
070174	063075	6%	6%	
070175	013176	9 %	9 %	
020176	013178	7 %	7 %	
020178	013180	6 %	6 %	
020180	013182	12 %	12 %	
020182	123182	20 %	20 %	
010183	063083	16 %	16 %	
070183	123184	11 %	11 %	

010185	063085	13 %	13 %
070185	123185	11 %	11 %
010186	063086	10 %	10 %
070186	123186	9 %	9 %
010187	093087	9 %	8 %
100187	123187	10 %	9 %
010188	033188	11 %	10 %
040188	093088	10 %	9 %
100188	033189	11 %	10 %
040189	093089	12 %	11 %
100189	033191	11 %	10 %
040191	123191	10 %	9 %
010192	033192	9 %	8 %
040192	093092	8 %	7 %
100192	063094	7 %	6 %
070194	093094	8 %	7 %
100194	033195	9 %	8 %
040195	063095	10 %	9 %
070195	033196	9 %	8 %
040196	063096	8 %	7 %
070196	033198	9 %	8 %
040198	123198	8%	7%

010199	033199	7%	7%	6%
040199	033100	8%	8%	7%
040100	093000	9%	9%	8%

Dated: July 27, 2000

Commissioner of Customs  
Raymond W. Kelly

